Preserve

App. F. IX-4

Previous References

Gen. 288-14(1-3)

1936-37 (L.R.)

File No. 21-36

Serial Nos. 8712

Letter References.

L. B. 85-36-85, 6

L. B. 72-38-81, 2

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Two

Part B for June 1937

SUBJECT.

Utilisation of the Railway Cess in the abolishing District-

P(12) To the Pol. Dept. the abolishing
" the Dy. "
" Dy. abolishing
" Comptroller & Chief Engr.
Agent. Hyd. Rly.
No. L 9019-23 & 24-37)

W.A.R. Khan 6/7/37

Sends Report & Estimate
Considers the proposal of
the Dy. abolishing

WD 0414—GPB—2,500—29-8-36

Serial No.	
8	From The Pdt. Vice-Pt. D.B. Chitaldrug, No. C 248/36-37 dt 5-4-37 Requests, for reasons explained, sanction to the proposal of the DB that a sum of five lakhs (5 lacs from the Dy. Cess funds along with the annual cess collections and interest on the Dy. cess may be utilised for roads & bridges to be taken up by the DB in accordance with a five year programme. Subs: The resolution of the DB. is to the effect that a sum of five lakhs of rupees out of the Dy cess which is invested in Govt. Fixed deposit & which matures in Dec 1937 may be utilised for the construction of bridges & roads in accordance with a programme drawn up, along with the annual Dy. cess collections & the yearly interest realised on the investment of Dy. cess. The Dy. cess annually collected in the DB amounts to Rs. 50,000/- & the interest on the investment, at present, is about Rs. 53,000/-. The programme submitted by the DB. for the year 1936-37 involving an expenditure of Rs. 1,22,607 has been sent to the Fl. Survey for remarks, with the opinion of the

NOTE—Contn. Sheet.

WD 0417—GPB—80,000—8-9-36

Utilization of Ry cess- Chittaldrug Dist

File No. 21 of 1936. General and Revenue Secretariat

Serial No.

For meeting this expenditure during the current year, the Ry. cess estimate of 5 0,000 has also been taken into consideration. ~~[illegible]~~

year programme of works — roads & bridges — excluding those of the current year, are contained in the linked file. ~~[illegible]~~ may then be approved after the proposal ~~[illegible]~~ dealt with in this file is sanctioned.

The Bd have at present a sum of Rs. 13, 2, 625/- under Ry. Cess, at their disp. Under Sec. 68 (4) of the Dt. Bd. Rep. Act, portion of the Cess or the interest or other income derived from such investment may with the appl of Govt be utilised for the construction of new roads & bridges or for improvement works in existing roads in the Dt. The pdt was, definitely stated that it is not likely that any Railway works would be taken up in the Dt. The proposal is in accordance with the above provisions of the Regn.

It may be stated in this connection that in the case of Kadur & Tumkur Dist Boards, ~~[illegible]~~

Utilization of Ry cess - Chitaldrug DSH

General and Revenue Secretariat

KB File No. 21 of 1936-37 [App. F. III—2

Serial No.

five-year programmes of works - Roads Bridges - have been approved by the Govt and only the utilization of the cess interest on the accumulated Ry cess fund has been permitted & not that of either the Ry cess collected annually or any portion of the corpus of the fund. It is a point for consideration as to whether the Ry cess annually collected should be permitted to be utilized also, in addition to the interest on the fund & a portion of the corpus in this case.

Further the Board have at their credit a sum of Rs 1,18,825 in S.B account (current account) up to 31.3.37 a very large amount and if they withdraw the sum of Rs 5 lakhs in Dec 1937 as now proposed, it is not clear how they propose to invest it, and it is required for being actually utilized. This is however a matter of detail which will have to be decided in consultation with the Divisional Officer. The Board can utilize a sum of one lakh for new works out of the above amount.

Kind reference is invited to the Govt that has taken place between the Private Secy to the Revenue & the Secretary

NOTE—Contin. Sheet.

WD 0417—GPB—30,000—8-9-36

Utilization of Ry cess chitalday Distt 1936

File No. 1/ of 1936. 3) General and Revenue Secretariat

Serial No.

The Distt Board chitaldrug with the resolution of the Distt Board to utilize Rs 5/-lakhs of rupees (2) the interest to be accumulated by cess fund (3) the Ry cess fund annually for works in accordance with the programme submitted by the Divisional Officers for inclusion

1 The proposals may perhaps be sanctioned with the concurrence

20/4/37

10 W

21/4/37

I.O.No.FI.2721...
21 APR 1937

11 Please put up the list of works for 6 years referred to in para 3 of the President's letter for H: Secy's reference.

Asst Secy, G.S.G.
W.C

W
22/4

: recommended file may be forwarded to Executive Engineer on 22-4-37.

The Chitaldrug Dist Board is to be requested to return for which received from the H. Secy. It may be to the Ch. Engr's office is to return forms

To the Manager, Chief Engrs Office for information and keeping the file for records

Serial No.

The proposal of the District Board, Chitaldrug, is to utilise a sum of Rs.5 lakhs out of the accumulated Railway Cess collections (amounting to about Rs.13.5 lakhs) along with the annual cess collection and the interest on the Railway Cess, for Road and Bridge works, in accordance with the programme submitted by the Board.

2. According to the District Board Regulation, the Railway Cess has to be utilised primarily in connection with railways, and provision has been made in the District Board Regulation for the utilisation of railway cess for other purposes, only in cases where the amount is not required immediately or in the near future for expenditure on Railways (Vide clause 4 of Section 66 of the District Board Regulation). The President, District Board, Chitaldrug states that the idea of extending the railway communication in this District was thoroughly investigated about eight years back by the Railway Department and it was found that none of the lines proposed to be taken up would fetch any

WD 0417—GPD—80,000—8-9-36

...ny income etc. It is desirable to get the opinion ...f the Agent now on the possibility of railway extensions and on the proposals of the District Board, instead ...f relying on an opinion given eight years ago.

If even now the Agent says that there is no ...cope for further railway ~~expenditure~~ in this area, it ...s for consideration as to why the cess - an additional ...ax - should continue to be levied and why it should not ...e abolished or at least reduced to three pies (from six ...ies) as has been done in the case of Kolar and some ...ther districts. It is a fundamental principle that ...axation which is found unnecessary should be remitted.

As regards the utilisation of the present ...alance, reference is invited to the notes and discussions in L.B. file 256-14-3 relating to the levy of ...ailway cess in the Chitaldrug District from the year ...15-16. It will be seen from this file that the ...ailway cess at six pies in the rupee (on all items of ...evenue on which local cess was being levied) was permitted to be levied, with a view to financing the ...onstruction of the railway from Chikjajur to Chitaldrug. In 1916, the construction of the above railway ...ne was also sanctioned and the District Board was ...sked to raise a Debenture loan for Rs. 3 lakhs for ...e purpose. As there was not much progress in the ...ubscriptions to the above loan, the District Board ...as permitted to subscribe only half the capital cost

Serial No.

of the railway, the other half being borne by Government. As the District Board was not able to collect even half the amount required for the work, Government passed orders in the year 1921, that the above line might be treated as a Government line, the loan also being treated as a Government loan. Now that the Railway Cess collections so far have come up to about Rs.16.5 lakhs, it is for consideration whether the said line constructed by Government at a cost of about Rs.12.5 lakhs, may not be taken back by the District Board, by utilising railway cess collections. This is, I think, the most proper procedure for utilising the cess collections, and I would urge that this may be done now. This will absorb most of the balance and may leave little or nothing for road works. It is only the amount left over after this that may be regarded as available for road works.

15 Even in utilising it for road and bridge works, I think that the railway cess (corpus) should be utilised only for new roads (not competing with railways) and for new bridges, and only the interest on the Railway Cess investments may be permitted to be utilised for improvements to roads, involving substantial amounts. Minor works should be financed from the ordinary funds of the District Board as before. It is difficult to accumulate money but easy to spend it away, and the latter should not be encouraged.

WD 0417—GPB—80,000—8-9-36

In

Serial No.

In connection with the discharge of our 5½% Loan of over Rs.2 crores in 1938, our cash resources have to be conserved as far as possible and heavy cash outgoings from the Treasury, whether they relate to funds of Government or of Local Bodies, should be avoided. On this ground also, large expenditure on road works is not desirable. I would therefore suggest that expenditure should be permitted on a very limited scale, it being confined to the further additions to the Cess collections, or interest earnings therefor, (leaving the original corpus in tact) during each year, and that the Cess collections should be utilised only for new roads and new bridges (and not for improvements).

In this connection, it is to be stated that the District Board refers to the sanction of Grants for individual works by Government (Vide linked file). Unless the financial position of Government permits the sanction of such grants, it is not desirable to permit the District Board to start these works. Further, these works are proposed to be financed by the District Board not from their own funds, but from the Railway Cess collections (which do not belong to them strictly), and there is no reason why Government should sanction grants for such works. The entire cost of such works has to be financed from the Railway Cess

(9)

General and Revenue Secretariat | File No. | of 193 . | [App. F. III—2

Serial No.

Cess collections alone.

9 In conclusion, I would state that:

(1) the accumulated corpus has to be utilised for the taking back of the Chickjajur-Chitaldrug line, the income from Railways being handed over to the District Board;

(2) the Railway cess may be abolished or reduced to three pies in the rupee, if there is no scope for railway expansion;

(3) the expenditure during each year be limited to the receipts during the year, the Cess proper being utilised only for new roads and bridges, and the interest on improvements to roads involving substantial amounts; and minor road and bridge works should be financed from the ordinary funds of the District Board;

* (4) Government Grants should not be given for works financed from Railway Cess collections.

18/5

23 The proposals of the Dt Board and the comments of the Finance Member raise important questions of policy relating to the levy and utilisation of Ry cess. If the Dewan agrees, the matter may be discussed at a meeting of the Council.

Dew
19/5/37

Dewan

19.5.37.

9 8373

WD 0417—GPB—80,000—8-9-36

Serial No.

Subject:- Utilisation of the Railway Cess in Chitaldrug District.

(Instructions in Council on 20th May 1937)

24.

The proposals of the District Board, Chitaldrug, may be sanctioned, subject to the scrutiny of the programme and its approval by Government.

2nd member)

Dy. Secy. (Fin)

Dear Secy

Secretariat

The draft is approved. D.F.N. may be put up

(The President says that a programme of works has already been sanctioned. This may be put up)

WD 0417—GPB—30,000—8-9-36

Utilisation of the Rly. cess in the Chitaldrug Dt.

4562
α

α B File No. 21 of 1936. General and Revenue Secretariat

Serial No.

DEWAN'S OFFICE
1937
5741

(LB. 35 of 36)

OFFICE OF THE SECOND MEMBER OF COUNCIL.
13 JUNE 1937
No. 892

Disc with a D.F.N. for appl. The file relating to the programmes of works proposed to be taken up in the Chitaldrug Dt is linked.
References: Orders of the II Member in para 29 Supra.

Second Member
F.N. Signed by Member.

1/6/37

15/6

M.W. 15.6.37.

D.S.N is put up

16.6.37

Dewan

Final Note by the Second Member of Council.

Subject.—

Utilisation of the Railway cess in the Chitaldrug District.

The President, District Board, Chitaldrug, has submitted proposals in accordance with the resolution of the District Board that a sum of Rs.5 lakhs out of the accumulated Railway Cess Fund which is invested by the Board in Government Fixed Deposits and which matures in December 1937, the annual railway cess collections in the District and the yearly interest realised by the Board on the investment of the said Fund be utilised for constructing bridges and roads in the District in accordance with a programme drawn up for 5 years.

The levy of railway cess in the Chitaldrug District at 6 pies per rupee of assessment was authorised by Government in Notification No.10504/L.B.236-14-3 dated 22nd June 1915 and the amount so far collected and invested up to the end of March 1937 is reported to be Rs.13,52,625 out of which a sum of Rs.5 lakhs which has been invested in Saving Bank fixed deposit will mature in December 1937.

The President, District Board, in submitting for sanction the above proposal, has reported that the question of extending railways and tramways in the District was investigated about 8 years ago and that a traffic survey for some routes was conducted and that the idea of extending the Railways was abandoned as the investigation disclosed that none of the lines would be remunerative. He has also stated that, in view of the development of bus traffic everywhere in the District, there is little desire or need for the extension of railways in the District and that there is no prospect of the cess being utilised for that purpose. As the means of communication in the District are very inadequate and as some of the interior parts of the District have to be opened out, he considers that the utilisation of the railway cess for new roads and bridges would be more advantageous to the rural population.

The

The Financial Secretary to whom the papers were referred, has raised certain important questions of policy relating to the levy and utilisation of the railway cess.

The entire question was discussed at a meeting of the Council on 20th May 1937 and it was decided that the proposals of the District Board, Chitaldrug, may be sanctioned, subject to the scrutiny of the programme and its approval by Government. The President, District Board, has also submitted a programme of roads and bridges for five years. This will be duly scrutinised before it is finally approved. The utilisation of the railway cess for the construction of roads and bridges is permissible under the District Board Regulation, -(vide Section 68(4)).

I solicit His Highness' gracious approval to the above proposals.

M. Mirza Ismail

MEMBER OF COUNCIL.

Camp Mysore,
4th June 1937.

Submitted to His Highness.

I submit herewith a Final Note by the Second *Member of Council on the subject of* the utilization of the Railway Cess in the Chitaldrug District, *for His Highness' gracious approval.*

Mysore,
16th June 1937.

Mirza M. Ismail
Dewan.

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Utilization of the Railway Cess in the Chitaldrug District.

No. 563

Order.

~~KRW~~

17.6.37

MK
18.6.37

C.308

General and Revenue Secretariat

SUBJECT:-

"Utilization of the Railway Lease in the Chitaldrug District

(*)

31 All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Head-quarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/~~after~~ issue of orders. (*) (*Vide Rules* 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

Chief Secretary to Government.

Through the Secretary to Government,

~~Development~~ Department.

19.6.37

FIRST MEMBER OF COUNCIL.

20/6

(10)5
2003

SECOND MEMBER OF COUNCIL.

20/6/37

Development Secretary
with compliments

20/6

NOTE.—Contn. sheet

TYPING SECTION
G. 24 JUN 1937

Utilization of Rly Cess - Chitalong Rd

4302

General and Revenue Secretariat | LB File No. 2/1 of 1936. | [App. F. III—2

Serial No.	
12	To the Presdt. Dt. Bd. Chittagong, the Dy. Chittagong, the D.C. Chittagong, the Comptroller & Govt., the Chief Engineer and the Agent B.N.Rly.

No. L. 9019-23/ dated 24.6.37

Sanction, subject to certain conditions, the proposals of the Dist. Bd. Chittagong, to utilise a sum of Rs 5 lakhs out of the Rly. Cess which is in excess by the Bd. in Govt. fixed deposits maturing in Dec. 1937, the annual Rly cess collections, although in excess on the Rly. Cess being utilized on construction of road bridges in accordance with a five year programme

Rs 5/-

NOTE—Contn. Sheet.

WD 0417—GPB—80,000—8-9-36

No. 3077

Bangalore,

10th March 1937.

Dear Mr. Imam,

I am desired to inquire whether you have held a meeting of the District Board and passed a resolution for the utilisation of the Railway Cess for certain purposes ?

Yours sincerely,

Ce

10/3

J. Mahomed Imam, Esq., B.A., B.L.,
President, District Board,
CHITALDRUG.

D. O. No. 61/3163

J. MOHAMAD IMAM, ESQ., B.A., B.L.,
President, District Board,
Chitaldrug.

OFFICE OF THE PRESIDENT, DISTRICT BOARD,

Dated, Chitaldrug the 12th March 1937.

Dear Sir,

With reference to your letter, calling for the information, if the Board has passed a resolution for utilising the Railway cess, I write to state that a Special Meeting of the Board has been conveened on the 27th of this month for this purpose. The resolution of the Board along with the programme of roads and Bridges for the next five years will be submitted before the end of this month.

Yours Sincerely,

J. Mohamad Imam

Charles Noronha, Esqr.,M.A.,
Private Secretary
to the Dewan of Mysore,
B a n g a l o r e.

Read for perusal
Ce 13/3
13-3-37

4616
L

D. O. No. 67/36-37

J. Mohamad Imam, Esq., B.A., B.L.,
President, District Board
Chitaldrug.

Office of the President, District Board,

Dated, Chitaldrug the 6th April 1937.

14 APR. 1937
L. B. O. BRANCH.

m 1145
with papers

Dear Sir,

In continuation of my D.O. letter No.61/36-37 dated 12th March 1937, I write to inform you that the District Board at their special meeting held on 30th March 1937 have approved the marginally noted three proposals and the same have been separately submitted to the Secretary to Government, Development Department through the Deputy Commissioner Chitaldrug District for sanction.

1. Proposal for utilising 5 lakhs of rupees out of the accumulated railway cess invested in S.B. fixed deposit which matures in December 1937.

2. Proposal to take a loan of --- Rs.1,00,000/- out of the above railway cess investment of Rs.5/-lakhs at 1½% interest per annum repayable in 25 yearly instalments.

3. Programme of roads & bridges Etc., from 1936-37 to 1941-42 utilising the balance of Rs.4/-lakhs of the above railway cess investment of 5 lakhs of rupees --- including the annual railway cess collections and the interest realised on the investment of railway Cess.

I request that you will kindly intimate the same to the Dewan Saheb and arrange for kind sanction of Government therefor early.

As regards sanction of lumpsum grant of rupees one lakh for guineaworm wells from Government, the Board have also approved and the detailed proposals will be submitted within three days.

With best regards.

Yours very sincerely,

J Mohamam

To

C. E. Noronha, Esq., M.A.,
Private Secretary
to the Dewan of Mysore,
Bangalore.

Sec. for perusal.
May be passed on to Dev. Sec.
for early disposal
Ce
8/4

Dev. Sec.
N.C.) Ce
9/4

8/10/4/37

8-4-37

LB 21-36-8

4560

In all future correspondence please quote
No. C.249/36-37
Encls ....Nil....

OFFICE OF THE PRESIDENT, DISTRICT BOARD,
Chitaldrug, Dated 5th April 1937.

FROM

J. MOHAMAD IMAM, ESQ., B.A., B.L.,
PRESIDENT, DISTRICT BOARD
CHITALDRUG DISTRICT.

5:10 P.M.
5 1937
8222

To Sn. Venkata Narasimhappa Esquire B.A.
SECRETARY TO THE GOVT. OF HIS HIGHNESS THE MAHARAJA OF MYSORE,
DEVELOPMENT DEPARTMENT, BANGALORE.
(Through the Deputy Commissioner, Chitaldrug District)

GENERAL SECTT.
8 APR. 1937
L. S. B. BRANCH.

Sir,

I have the honor to state that the District Board at their special meeting held on 30th March 1937 have passed a resolution soliciting sanction of Government to utilise a sum of five lakhs of rupees out of the Railway Cess for the construction of Bridges and Roads under Sec.68 Sub Sec. (4) of the amended District Boards' Regulation of 1936.

The Railway Cess in this District is being levied from 1915-16 at the rate of six pies per rupee whereas it is three pies per rupee in other Districts and the amount collected is invested as follows:-

1.	In Fixed Deposit - Receipt No.283/1-12-32 @ 5% interest. Matures in December 1937.	Rs.5,00,000/-
2.	do @ 3% Receipt No.3479/1-10-35	1,00,000/-
3.	Stock Certificate No.0103/1953-63 @ 4% Interest ...	5,33,800/-
4.	do No.0041/1953-63 @ 4% interest	1,00,000/-
5.	In S.B. account up to end of 31-3-37	1,18,825-7-1
	Total.-	13,52,625-7-1

Of this, a sum of Rupees five lakhs (item No.1) which is invested in the S. B. Fixed Deposit matures in December 1937. As this sum cannot be reinvested again on the same favourable terms and as the need for the construction of Bridges and Roads has become great, it is

It proposed to make use of this sum of five lakhs of rupees for Roads and Bridges in accordance with the programme of Roads and Bridges for six years drawn up by the Board including the works taken up in 1936-37.

Proposals soliciting sanction of the programme of works have been separately submitted.

In this connection, I beg to submit that under Sec.68 Sub Sec. (4) of the District Board amended Regulation, the whole or any portion of the Railway Cess can be made use of with the previous approval of Government for the construction of the new Roads and Bridges and for improvement works. The term, "Railway Cess" under this section, I submit, includes not only Cess collected every year but also the accumulated Cess of the previous years and the Government under this Regulation can authorise the utilisation of the sum of five lakhs of rupees and such a permission will be in conformity with the Regulation. Besides, this sum is not required immediately or in the near future for expenditure on the purposes specified in sub Sec. (3) of Sec.68. The idea of extending the Railway communication in this District was thoroughly investigated about eight years back by the Railway Department and the Traffic Survey of the following routes was held:-

1. Chitaldrug - Tumkur Line;
2. Chitaldrug - Challakere - Rayadurga Line;
3. Chitaldrug - Kottur via Jagalur Line; a n d
4. Davangere - Kottur Via Jagalur.

It was found on a detailed investigation that none of these lines would fetch any income whereas the amount spent on these lines would be considerable involving crores of rupees. So all idea of extending the line has been finally given up. The development of Bus Service has become a convenient and effective substitute for the Railway, so that now there is very little desire or need for the extension of the Railway line in this District .

District. Hence it can safely be stated that the Railway Cess which is collected till now and which is going to be collected in future will not be required in the near future for the extension of Railways and Tramways, etc.

2. While the Railway Cess is being collected regularly every year, the tax-payer is not deriving any corresponding benefit out of it. I submit that the utilisation of this Cess towards the Roads and Bridges is more beneficial and advantageous, as this will result in the greatest good to the largest number of people. The usefulness of the Railway is always confined to a very limited area, whereas if the same is spent on Roads, people living in the entire District will derive the benefit directly. Besides, this District is primarily Agricultural and what the ryot needs is the Road and not Railway.

3. It is no doubt true that if this sum is reinvested, the Board may get an annual income of about Rs.12,000/- but on the other hand if this amount is utilised for new Roads and Bridges, the benefit we are conferring upon the people the facility afforded for means of communication, will amply repay. Besides, it is not ~~feasible~~ desirable to lock up the money and deny the ryot of the advantages for which he is rightly entitled to.

4. This Board has already submitted proposal for the utilisation of the annual Cess collection and interest for 1936-37 with my letter No.C4.C.129/36-37 dated 24th November 1936 which is pending before Government for sanction.

5. In conclusion, I beg to submit that, in this District the means of communication are very poor and all the Taluks in this District require opening out badly and urgently. If this amount is utilised, the Board will not be in any way poorer as there will still remain eight lakhs of rupees at its credit.

6. A representation to this effect was made to the Dewan Saheb during his recent visit to this District in February 1937

and

and the Dewan Saheb was pleased to state that this question would be examined very sympathetically.

Under these circumstances, I pray that the Government may be pleased to accord their sanction to the proposal of the District Board to utilise a sum of five lakhs of rupees from Railway Cess along with the annual Cess collection and the interest on the Railway Cess, for Roads and Bridges in accordance with the programme submitted.

The favour of early orders is solicited.

I have the honor to be,
Sir,
Your most obedient servant,

J. McIlwaine
President.

8/7/4/37
[illegible] 326 - 5 6/4/37
[illegible] 37

Forwarded with Compliments
Navaneeth
Deputy Commissioner

SPECIAL

PROCEEDINGS OF THE CHITALDRUG DISTRICT BOARD/MEETING

Held on.....30th March 1937.....

Present:—

J. MOHAMAD IMAM, ESQ., B.A., B.L.,
PRESIDENT, DISTRICT BOARD,
AND LOCAL EDUCATION AUTHORITY,
CHITALDRUG.

Members.

Present. 29. Absent. 4.

xx xx xx

Subject No. 1.

To consider the question of utilising Rs.5,00,000/- from the accumulated Railway Cess.

Special Committee's Resolution.-

Resolved that Rs.5,00,000/- of Railway Cess which is invested in Government Treasury Fixed Deposit and which matures in December 1937, be utilised for constructing New Bridges and Roads in accordance with a programme for five years.

Board's Resolution.-

Resolved unanimously that a sum of Rs.5,00,000/- out of the Railway Cess which is invested in Government Fixed Deposit and which matures in December 1937, the annual Railway Cess collections and the yearly Interest realised on the investment of Railway Cess, be utilised for constructing Bridges and Roads in accordance with the programme drawn up.

xx xx xx

Sd/ J. Mohamed Imam,
President.

"Extract"

J. Mohamed Imam
President.

LB 21-36-12

Proceedings of the Government of
His Highness the Maharaja of Mysore.

-----:O:-----

R e a d : -

Memo No. Cl C 2326/36-37 dated the 6th April 1937 from the Deputy Commissioner, Chitaldrug District forwarding letter No. C. 248 of 1936-37 dated the 5th April 1937 from the President, District Board, Chitaldrug requesting sanction to the resolution of the Board that a sum of Rs. 5 lakhs out of the Railway cess which is invested by the Board in Government Fixed Deposits and which matures in December 1937, the annual Railway Cess collections in the District and the yearly interests realised by the Board on the investments of Railway Cess be utilised for constructing bridges and roads in the District in accordance with a programme drawn up for five years.

24/6/37

Order No. L 9019-23

Dated, Bangalore, 24/6/37

The levy of Railway Cess in the Chitaldrug District at 6 pies ~~in the~~ last rupee of assessment was authorised by Government in Notification No. 10504/L.B. 236-14-3 dated the 22nd June 1915 and the amounts so far collected and invested up to the end of March 1937 is reported to be Rs. 13,52,625-7-0 out of which a sum of Rs. 5,00,000/- which has been invested in ~~the~~ S.B. Fixed Deposits will mature in December 1937. The District Board, Chitaldrug have resolved that the sum of Rs. 5,00,000/- above referred to, the annual ~~amounts~~ of Railway Cess collections and the annual

annual interest realised on the investment of the Railway Cess be utilised for constructing bridges and roads ~~in accordance with the~~ a programme drawn up.

The President, District Board, in submitting for sanction the resolution of the Board, has reported that the question of extending ~~the~~ Railways and Tramways in the District was investigated about 8 years ago and that a Traffic Survey for some routes was conducted and that the idea of extending the Railways was abandoned as the investigation disclosed that none of the lines would be remunerative. He has also stated that in view of the development of Bus Traffic everywhere in the District, there is little desire or need for the extension of ~~the~~ Railway ~~Lines~~ in the District and that ~~therefore~~ there is no prospect of the cess being ~~required in the near future for the extension of Railways and Tramways.~~ utilised for that purpose. As the means of communication in the District are very inadequate and some parts of the District ~~which is mainly agricultural is~~ here badly ~~in need of~~ to be opened out, he considers that the utilisation of the Railway Cess for new roads and bridges would be ~~very~~ more advantageous ~~and beneficial.~~ to the rural population.

3 In the above circumstances, Government are pleased to sanction the proposals of the Board under Section 68 (4) of the District Board's Regulation, subject to the conditions that the programme of works to be executed

1) that the funds should be utilised for the construction of new roads and bridges involving expenditure beyond the capacity of the Board to meet from its normal resources; and (2)

executed out of the above funds should be submitted to Government and their previous approval obtained thereto.

Secretary to Government,
Development Department

To

The President, District Board,
Chitaldrug District,
(through the Deputy Commissioner)

The Deputy Commissioner, Chitaldrug,

The Comptroller to Government,

The Chief Engineer of Mysore,

The Agent, Mysore Railways.

P.H.